

**Portland Public Schools District # 1J
2019-20 Hearing Minutes**

**Tuesday June 23, 2020
5:00 pm
Virtual Meeting**

Attendees

Present:

TSCC:

Chair David Barringer, Vice Chair James Ofsink, Commissioner Margo Norton, Commissioner Mark Wubbold, Commissioner Harmony Quiroz, Executive Director Craig Gibons, and Budget Analyst Tunie Betschart

Absent: None

Portland Public Schools:

Amy Kohnstamm, Board Chair and Board Members Andrew Scott, Scott Bailey, Julia Brim-Edwards, and Michelle DePass

Staff: Guadalupe Guerrero, Superintendent of Schools; Rosanne Powell, board manager; Claire Hertz, Deputy Superintendent of Business Operations; Kregg Cuellar, Deputy Superintendent for Instruction at School Communities; Russell Brown, Chief of System Performance; Dan Yung, Chief Operating Officer; Jonathan Garcia, Chief Engagement Officer; Stephanie Soden, Chief of Staff; Leslie O'Dell, Senior Director of Funded Programs and Early Learners; Courtney Westling, Director of Government Relations; Brenda Martinek, Chief of Student Support Services; and Shawn Bird, Chief of Schools

David Barringer:

Good evening, and I will call to order the annual Portland Public School budget hearing. My name is David Barringer, and I am the chair of the Tax Supervising and Conservation Commission, and I welcome you all to our hearing. I will now ask my fellow commissioners and the staff to introduce themselves, and to state if they have any business relationship with the district that could be perceived as a conflict of interest. There were none.

He asked the District representatives to introduce themselves.

David Barringer:

Great, thank you all for participating. On behalf of the Commission, I would like to express my appreciation for how your organization has stepped up to meet the current public health crisis within the scope of your own mission. We understand that forecasting the budget for the next year is a challenge right now. Managing the organization will require extra effort as the year unfolds. With that in mind, the focus of our questions during today's hearing may be somewhat different than we have had in the past.

For the public for whom the TSCC commissioners represent, this is an opportunity to hear directly from the accountable officials about how you will manage through the uncertainty. If

you have any brief introductory remarks on your budget, we would like to hear them now. Then we will ask our questions and discuss the budget with you. Following that discussion, we will take any testimony from the public if there are any participants that wish to be recognized at that time. With that, I will turn the floor over to the superintendent. And if you have any introductory remarks, please do so now. Thank you.

Guadalupe Guerrero:

I'll be brief, commissioners, but it's good to see all of you again. I know we only meet annually typically, but I feel like you've been a part of our journey. And I think we've talked about that in our past. Tonight, you're going to hear our deputy superintendent tell you a bit more about the proposed budget we've forwarded to the Board of Directors for their consideration. We think it makes key investments in not just the effective operation of the organization, but also places a key emphasis in a few priority areas. The continue to build on our district's overall, what we call a transformation.

And so I think you will find clearly laid out in our budget message is that focus on racial equity and social justice that we invest in those levers that will improve the equitable conditions and outcomes for our students of color in particular, and our theory of action that calls out our black and native students specifically. So staff is here to take any and all of your questions this evening, and hope that we conclude the evening with your vote of confidence.

But I'll turn it over at this point to our ringleader, our Deputy Superintendent of Business and Operations, Claire Hertz.

Claire Hertz:

Good evening. I'm getting a little bit of feedback, which is making it hard for me to hear. And I'm wondering if people could mute and then unmute when they'd like to speak. That would be really helpful. Thank you. The feedback has stopped, so that makes it so much easier. Thank you.

So this has been quite the year. In Portland Public Schools, we brought a vision forward after a year-long process with our community and really honed in with a needs assessment in the fall, working through our student investment account process with the Oregon Department of Education and really listening and lots of focus groups and sessions with community groups all across the district and varying neighborhoods, really focusing on communities of color, making sure that we had student voice, that every staff group at every school had a voice, having many meetings, really trying to take from our vision, working towards a strategic plan framework, and then bringing forward that student investment account application.

All was going well. We were developing a budget and bringing that forward. We were just starting to do staffing in the end of February. And as we were completing that process, getting ready to prepare our proposed budget, we actually brought our S-I-A application forward, got approval from the Board. We were expecting \$39 million to invest in very strategic investments, strategic areas in supporting especially our black and native students, as part of our theory of action in really recognizing as we focus on the students that have been underserved and have the most barriers to their educational success so that, if we focus on them, then all of our children benefit and our systems improve and our teaching methods improve. So that was all going along and we even had a proposed budget already for print and ready to go, and then COVID-19 shut us down.

So what you have is a budget that has been built based on our O-D-E estimates that came early in the year pre-COVID, both for state school fund, for Measure 98 and then for the S-I-A application. So what you have in the documents that we've shared with you is pre-COVID. And then since then, we've had information of percentage of revenue shortfalls in both the S-I-A and the Measure 98 grant funding, and then also a shortfall in our state school fund. So you will see in your Q and A's that we've shared the reductions that we've had to make in those areas and are ready to talk those through with you as we go through your questions. So I just welcome you here. We're excited to share, even though we are probably totally exhausted from just operating schools in a new way, and having new demands that we never knew we'd have to learn how to do.

And somehow this team has come together and really done some phenomenal work with the leadership of the board and with our superintendent and working through our principals and all of our teachers in our schools. Somehow we came together and had school while it was distance learning, different than we were ready for initially. We certainly came together and brought that forward. And so we are now, as the school year has ended, we are moving on to the O-D-E guidance has now come out on our fall re-entry plans. And so we are busily developing those plans and we'll have more to share later this summer as we bring back to the board and the community for that input and feedback as we go forward.

So with that, I would like to turn it back to you, and I think that was David Barringer. Is that correct? I know that you guys have some questions you'd like to ask staff.

David Barringer:

Yes, thank you for that update. And you're right. I mean, the world fell off a cliff at the end of February and everything changed, and everyone's responding as best they can to this new environment. With that, then, I will start our questions. I have the first one and it's about the current fiscal year, which of course did not anticipate at all the additional expenditures caused by the pandemic. So what changes have you made to this year's budget and will they have impact on the district's ending fund balance? And how will that alter the beginning fund balance that's now stated in the budget that you have approved for next year, positively or negatively?

Claire Hertz:

So we have worked hard as a team. We identified two ways, or actually three ways, to lower costs in the 1920 fiscal year. First, we did a hiring freeze, and then we did a purchasing freeze. And then we also did furlough days furlough Fridays, beginning in May through June and then all the way through almost the end of July. And so with that using the federal work share program. So we have accumulated \$10 million in savings on our furlough days, and we have also an additional nine million that's coming forward in savings from general fund. So both of those are general fund amounts in that we're able to carry forward into next year.

So that nine million is actually a savings more than our original projections. So because we had the purchasing freeze and the hiring freeze, we were able to accumulate that \$19 million. So you will note that our beginning fund balance in the budget document was pre-COVID. And now, we will have a much higher one. We're anticipating a \$63 million ending fund balance for the general fund. And this is 16.5 million over what we had from our initial projections, and that we will carry that into 20-21. And then we will actually utilize those savings and still keeping with the 6% ending fund balance by the end of 20-21. Okay?

David Barringer:

Very good. You rebounded very, very quickly since this happened from March to now. Thank you.

Mark Wubbold:

I have the second question. The approved budget was prepared prior to all of the changes brought about by the pandemic and the economic downturn, but considerable time has passed, and some new information has been made public. When will you be able to tell district patrons what and where the \$12 million in identified cuts will occur?

Claire Hertz:

So earlier in the budget process, we identified \$12 million in general fund reductions that we needed to balance the 20-21 budget. And so we did share that with the community at a higher summary level, because we had needed time... Remembering all of this happened quickly, right? The May economic forecast came out and then three days later we had our proposed budget meeting, right? And so as we're making the decisions, and then two weeks later, we had the approval, and now two weeks later, we're working on the adoption.

So it's been a very tight timeframe, and this team has worked hard to get that \$12 million in place. And now tonight we have posted on the website and share with you and your question number two, the budget reductions by function and object codes that aligns with the budget document coding that you have already. So you'll notice there's a several page chart of reductions totaling the \$12 million. And you can see that some of them are F-T-E personnel costs, and some of them are purchased services, supplies, and materials.

Mark Wubbold:

Yes, so we do appreciate getting it. Getting that in that communication today was very helpful. Thank you.

James Ofsink:

And just to clarify on that, was I understanding correctly, and thank you for giving us this level of detail, but this is just now available to the public today. Do I understand that part correctly? Thank you.

Claire Hertz:

We have had a higher level of budget reductions shared with the public. So we have had the school staffing reductions and the central services reductions more by area rather than specific to F-T-E and not personnel and non-personnel. So we have had that detail shared at a higher summary level, but now, because we have the tight timeframe, we would never want a staff member to learn from a budget meeting what positions were being reduced in their area, right? So we needed to have those conversations internally and then before we could produce them. And so, yes, we have provided some summarized information, but now this detail that aligns to the budget document, this level is available as of today.

Margo Norton:

I have a follow-up, David. Deputy Superintendent Hertz, I understand that there was more detail here than we have seen before, but for your district patrons, when will they find out what's happening at their school level?

Claire Hertz:

So the school staffing process is in process. And so there are, in terms of what is exactly happening at their school, we have to complete the staffing process in order to share that with the community. So there are the staffing decision. We make budget allocations, and then there are staffing decisions that are made by the school leadership, and then it's implemented with a notifying staff, and then their community.

Unknown is that we are also planning on bringing in an amended budget back to our Board and in sharing additional information once we know if the legislature has made any changes in the funding mechanisms that we know to date. So there is always the possibility that some of these dollars could shift from one pot to another. So we're prepared to respond to that and share that with our community and our Board as we learn that from the legislature.

Harmony Quiroz:

I had a quick, hopefully a quick follow up question after looking at the more specific allocations this year. Can you clarify how that F-T-E allocation by school-I think I'm reading that the ratio allocations aren't changing from the 19-20 school year, is that correct? Is that across the board or just that?

Claire Hertz:

So in terms of the classroom teacher allocation, the 19-20 allocation remains in place for 20-21. There are a couple of places we have improved it. One is in our C-S-I schools, in the primary grades. And the other is in, we've added some electives in our middle school programs through our S-I-A allocation. So there are some slight, slight improvements originally with the full funding that we had. We had improvement across the board, but that's no longer possible. So we had to scale it back.

Margo Norton:

All right. So we understand that you held off as long as you could to go to your budget approval, hoping for more information to develop. That didn't happen. And there are other people who are as disappointed as you. But, in the meantime, PPS is still the largest school district and your footprint spills over into all of the metropolitan counties. So by my count, you probably have more legislative representatives than any other place in state. So, this probably is not so much a question for the staff, but perhaps for the Board. What discussion are you having with your legislator? Do you have reason to be hopeful? Are they encouraging you to make contingency plans? What can you tell us?

Claire Hertz:

I have asked Courtney Westling, who works with our legislature and is governmental relations for Portland Public Schools. So Courtney Westling could start. And then after that we could go to the board.

Courtney Westling:

Thanks for the question. This is a hot topic. Obviously, the legislature is meeting starting tomorrow for a special session. This special session is not a budget session. It's a policy session focused on a few things that you probably know, but I'll tell you anyway, because I've got you here. It's focused on police accountability. It's focused on COVID-19 response and some cleanup

issues from previous legislative sessions, which for lots of reasons that I won't get into here, didn't happen in previous sessions.

So where we fit in is you hit the nail on the head. We are the largest district with, I think, close to, or if not the most diverse student body. We engage regularly with our partners at a couple of different large organizations that represent other districts and school boards. And those are the Coalition of Oregon School Administrators, COSA, and the Oregon School Boards Association, OSBA. We also collaborate regularly with our other large school districts folks. Some of those districts have someone like me internally and some of them don't, but we work through COSA to reach all of our partner districts, especially those that have a lot of similar characteristics.

We work closely with them to communicate our needs as districts to the legislature. Sometimes those needs are different for Portland. Often right now, they're very similar to what everyone's dealing with in this environment. So we work together in collaboration to communicate our needs to legislators.

We also work with our local legislative leadership. Some of them are our leaders in Salem. So that was very helpful for us to have those relationships. We are closely monitoring this special session to see if there are any impacts to our budget, which I don't expect from the policy session. And then we're kind of pins and needles waiting to know when the budget session will be. It sounds like there's some waiting on the federal government to make some decisions after the 4th of July congressional recess.

So there's a lot of unknowns. I think that's the theme of tonight. There's a lot we don't know, but we're monitoring it closely. We're working with our partners to make sure that we're aligned and strategic in how we're approaching our elected officials.

Amy Kohnstamm:

This is Amy Kohnstamm. A couple of things I would add. Early on, we definitely were talking with our local legislators about the importance of preserving the Student Success Act dollars. You can see that we were able to really keep the priorities that we identified in our SIA proposal, just at the lower scale that we anticipate. But that's really important. I think staff has also been working on estimating costs associated with distance learning and higher standards of cleaning and costs associated with reopening so that we can quantify for the legislature, what that difference is when school is going to look differently.

And then also we have been pretty active on the federal level. I'm looking for another round of a relief for public school systems through coronavirus relief. So we've been part of working with the Council of the Great City Schools on advocacy there. Again, quantifying what the costs are and also the impact from distance learning on student achievement and why now with diminished state revenues across the country, why now is not the time for us to do less for our kids rather than more.

Julia Brim-Edwards:

This is Julia Brim-Edwards. The one thing I want to add is so the other potential funding pathway for some of the COVID- related expenditures is the federal money that either was earmarked for the City of Portland, which was \$114 million or a portion of the state's allocation. I had a conversation yesterday with the mayor and then further conversation with city staff yesterday, and they are not going to be earmarking any of their funds for the city. So it looks like the state would be the focus. While they've dispersed a fair amount of money, they've also withheld or

held back a fair amount as well. So as we are better able to quantify exactly what reentry looks like and the type of expenditures that we will have, that is I think a conversation, a very legitimate one for us to have with the legislature about assisting us with those costs.

Scott Bailey:

This is Scott Bailey. I think the other piece is looking ahead over the next, as you probably know, the state economists are projecting a three to four year recovery path. The state does have, in contrast to 2008, their rainy day funds, one earmarked for education. I think in discussions with our legislators over what's the best path forward for disbursing that money. There's always that tug between right now and trying to smooth things out over the next three to four years.

James Ofsink:

As I'm sure you can imagine, a lot of our questions tonight are going to deal with what reopening looks like. So without getting into that, I don't want to ruin the suspense for all of our viewers at home. I imagine that there are lots of policy implications aside from the budget stuff that the legislature will be dealing with that relate to reopening the schools. Is your sense that even though I'm sure there are significant policy issues the state will probably have to weigh in on at some point that that will not be happening in this special session? Was I right in understanding that?

Courtney Westling:

That's my understanding. I think this is the first step in addressing some policy issues. The dollars will follow later. So there's still a lot of uncertainty when that time... It has to line up. We have decisions we have to make as districts in short order and that's well known. But I think to some of the earlier points by board members, we've got to get an understanding of what it's going to look like for us, so that we can take that to them. Most of them know this, but it's helpful to have a quantifiable amount or at least an estimate.

Harmony Quiroz:

I have the next question. The big question, probably. Can you give us some information as up-to-date as possible on the plans to reopen schools in the fall? Things like what services to students are being reconfigured in response to pandemic? What services might be emphasized while other services might be trimmed? I mean, it sounds like you're already doing some of the math and trying to figure out how much some of these things will cost. Are any funding reallocation, have they been identified yet?

Brenda Martinek:

Good afternoon, everybody. I'm happy to respond to that. Currently, we are in the planning process for reentry into the fall. We are partnering with our four other larger districts, the big five districts in Oregon, to align our thinking, our strategies and our planning moving forward.

We've also contracted with the district management group in order to help us with peer review, with some national information and guidance in order to align our work and our timelines. Once we received the ODE guidance, the ODE blueprint, we did start to break up into some re-entry planning groups. We had those groups already, but once the guidance was there, we really started to dive into the blueprint and the application process. So those are the things that we're doing right now.

Since we're still in the planning process, we're not able to state what services are going to be reconfigured specifically. What we can say is we are considering virtual learning, a blended model with cohorts and classes online, looking, right now, at our timeline for being able to reopen.

All of the services that we're doing are aligning with our mission, with our vision, with our strategic plan and focusing on our guiding principles. We're going to focus on social- emotional learning and trauma that a lot of our students and staff have experienced during this time, especially during recent events. We want to make sure that our families and our students and our staff are feeling supported.

And then we also want to continue to align with our instructional core and our multi-tiered services or tiered support. So we're looking at all of those and those specific frameworks are helping.

Harmony Quiroz:

Are there any conversations around any more fundamental shifts such as a full-year school schedule or something along those lines?

Brenda Martinek:

We are still in the planning stages. We're still planning to open up and to have some sort of learning opportunities on September 1 when our calendar starts for students and to continue on through the end of the calendar. So we're not looking at this point in time of reconfiguring our calendar. It's always an option, but at this point in time, we're not looking at that.

Harmony Quiroz:

I have another follow up. If the decision happens that there's a significant shift to distance learning, whether or not that's through some kind of hybrid model or more of a full-time virtual learning like we did this spring, can you anticipate any shifts in staffing and spending on staffing? Is there an expectation that there might be a pullback of staff that are primarily hands on or are there conversations around changing how we spend money on staffing, if it's an entirely virtual learning model?

Brenda Martinek:

Depending on the models that we choose, we will have some different funding requirements that are needed. We have set aside \$1.8 million to support those different types of instructional models if circumstances change. So we do have that kind of in our back pocket, should anything change it. And we just don't know. We have to be nimble. We have to be creative and innovative and be flexible because we have to have contingency plans based on if the county has to go back down into a shut down or quarantine type of a model.

Harmony Quiroz:

Well, we appreciate all the hard work you're doing. I mean, waiting with bated breath as a parent, but understanding that there are so many moving pieces. I'm happy. I filled out the survey, but I'm happy to not be the one having to solve that puzzle to be honest.

Brenda Martinek:

Well, thank you, Harmony. It's really important for all of our parents to fill out that survey. So I encourage anybody listening in to make sure that they're filling out that survey. We'll also have

some community engagement opportunities for staff and for families and students. We will continue to use that information to help guide our work moving forward. So thank you.

Margo Norton:

All right. Not to add any pressure here, but there are only... if my calendar calculations are accurate..., there are only 49 business days from tomorrow to September 1. That's a really short time. In order to get surveys back from folks, conduct your community engagement, what's your drop dead decision date? When are you going to have to decide? Childcare arrangements are critical for parents. They're not going to look for this decision on August 28th.

Brenda Martinek:

Right. As a mom of four kids, I completely understand that need to have decisions made as quickly as possible. We also need to make sure that we're as thoughtful as possible and to make sure that we are targeting our neediest and most marginalized students. So we don't take that work lightly. At the same time, we actually have a due date of August 14th because the ODE blueprint is due August 14th. We do have, excuse me, very condensed timeline that is quickly disappearing with each hour. So we have aligned our groups. We have our thinking caps on, we're actually rolling through some proposals right now. We're also working with our communications department in order to roll out a comprehensive communication plan so that staff and families will be informed of some dates that decisions will be made. And then partnering with some of our community partners in how that would look dependent on the community. We have a short timeline. Yes.

David Barringer:

This is David Barringer. I just have a follow-up as well. Nobody is an expert on all this and I've been reading that some colleges are trying to finish their fall term by Thanksgiving because there was the possibility of a second wave in the winter time. I mean, you have got so many possibilities on the plate, are you taking that into account as well?

Brenda Martinek:

One thing that we know is that we need to have places for students to go for our economy to start back up. Additionally, we need to provide a good first instruction for our students, which is that instructional core. We also need to have a sense of belonging for our students and that connection and relationship building. We kind of have to balance both, right? We have to balance the health and wellness of our students and staff. And we also have to balance the ongoing learning that our students are desperate for right now in addition to that community feeling for students.

We at this time are not looking at that. Colleges have an ability to start earlier, to start in August and then finish by Thanksgiving break. We don't have that luxury of doing that. So at this point in time, that's not something that we would consider. If things did get worse, then we would have to look at our contingency plans and go back to virtual.

David Barringer:

Okay. Thank you for thinking about that. It's a tough balance. Absolutely.

Brenda Martinek:

Yes.

Mark Wubbold:

This is Mark Wubbold. David, I would also add that the colleges for the most part in this region, are on the four terms rather than on the semester. And that has a lot to do with when they end and then go into the Christmas break. That's something that we'll be looking at.

My question has to do with the coming fiscal year. You've really pretty much covered it in that last comprehensive answer, because you talked about when you'll begin to make a formal adjustments to the budget, and it sounds like August 14th is a key date and that you're going to be communicating with your constituents through surveys and other methods of community engagement.

I'm not sure what I'm asking you right now. Maybe we have a follow-up to a question that's not necessarily to ask at this point.

Claire Hertz:

A couple of things is the way we know the governor has announced the budget will be discussed in a later session. Well, for us to have schools open at the end of August, we have to start staffing now. So we're taking the best information that we know, and we're running through the staffing process. We've shown you the reductions that we've made based on the assumptions on the revenue shortfalls we received from the state. We have processed that through many groups. As it continue, as things get refined, we will continue to engage our board. And we do plan on bringing an amended budget forward. Now I'm thinking it would be an August, but it depends on when the session is, it might need to be September. It depends on when they're done.

Mark Wubbold:

Okay. I actually, I would like to follow up with a question I wanted to ask a little bit earlier, but I think you're the right person to answer this question. Workshare savings of, I think you said \$18 million approximately?

Claire Hertz:

\$10 million. Purchasing and hiring fees. Yes.

Mark Wubbold:

Okay. So the limitations on that, are they restricted in any way, or can you use that for a refilling your general... Just for whatever purposes you deem necessary?

Claire Hertz:

What it means is we have reduced salaries one day a week, so we're paying less for salaries and we're accumulating that into our fund balance and carrying it forward to be spend on serving students next year.

Mark Wubbold:

Okay. Without limitation. Thank you.

Claire Hertz:

Yes.

Harmony Quiroz:

I have a question about staffing in the fall. I know that every year you set aside some FTE to balance enrollment or to adjust classroom teachers for enrollment differences and things along those lines. I'm interested how well you've been able to build a set aside this year, given the cuts, or if it's been reduced and how much that aside there is for the fall.

Claire Hertz:

We have both a set aside in our general plan and we also have a set aside in our student investment account. I don't have the FTE with me, but, I will see if staff will text me that response-they tend to watch this. And then I will report that out later.

Harmony Quiroz:

Do you know if it's the same or roughly the same as previous years or if it's a reduced number?

Claire Hertz:

Yes, I think with the SIA investment, it's actually more, but we also have more variables to address, right? We don't know how many parents are going to keep their kids at home, right? So we need to make sure that we're offering that virtual option to them and how many are willing to make sure they're in our buildings. So the SIA was more to address class size and to work with that set aside for responding to whatever we find. Even though we surveyed parents, circumstances change, people change their minds. So that's what Brenda Martinek was sharing with you about being nimble. But I will let you know as soon as I hear from staff on what the FTE is.

Chief of Schools, Dr. Bird, would talk a little bit about our review process to meet those school-identified needs.

Shawn Bird:

Yes, definitely. We just actually finished that process a couple of days ago. During the normal budget season, we go through and schools get their staffing allocation and then there's a process by which they can request additional set aside funds, set aside FTE. If they, for example, can't run their master schedule because a grade configuration is higher in one grade than another. Circumstances that arise, so we do that. This year, because of the pandemic, we pulled all that set aside back, and then we went through the budget process again. We just finished meeting those needs, and we really prioritized those based on the district mission and vision, and we want to make sure that we're centering the students that are most underserved first.

We looked at the requests that we got, and we held off on anything that was class size related right now. We wanted to keep some set aside for when we actually open in the fall, so that we will be able to address those issues because you may have 36 people in a classroom in the system right now, but that doesn't necessarily mean they're all going to show up because some parents may, in fact, decide to keep their children home or go virtual. We want to hold off on those.

What we addressed immediately were around our CSI, TSI, and Title I schools, the schools that have the highest need. Those are the set aside requests that we work to prioritize in this case, and then any programs that they couldn't run their program. They needed a 0.2 FTE to have all their specials classes or whatever. That's the process that we went through. It's about four hours

that we spend looking at every single request. We were able to address everything except for class size. We'll address those again in the fall.

Harmony Quiroz:

I have a quick follow-up. I say quick follow-up, who knows how long the answers will be. Are we seeing any trends yet in enrollment or unenrollment, given the situation? Are we seeing higher kindergarten enrollment or lower kindergarten enrollment? And then across the district, in terms of parents maybe moving their students out of the public school system at all. I'm interested if there are any trends appearing yet, or does it seem like everybody's just waiting to see the decisions made at the district level?

Shawn Bird:

I think kindergarten, from what I understand, is a bit down right now, but that would not be unusual because people usually go to the school to find out the information. We are working on communicating with those families, and have been, actually, since March, trying to find different channels to communicate with incoming families.

Some schools we've seen, definitely in some of our DLI programs, we've seen increased interest in those. We don't know yet what the answer is going to be about people. They're waiting to see what the progression of the virus is. Just anecdotally I've talked to people that they would like to know what our plans are to know how then they can plan for their future. But we are planning multiple scenarios for kids that need to be in a virtual setting versus a brick and mortar or hybrid setting.

Kregg Cuellar

That's a good question around kindergarten. This is Kregg. I just want to expand on Dr. Berg was sharing, that we do have a three-step process when we're looking at set aside. We address critical needs in the spring, which Dr. Berg was just talking about. And then when we look in summer, when we look at set aside, we're really looking specifically to that question that you just raised around kindergarten.

One of the things that the superintendent has been adamant about is that we have to reduce kindergarten transition as much as possible and not make teacher decisions after school has started and disrupt a kindergarten's environment.

When we're looking at making any additional hires or transitions based off of kindergarten numbers, or even looking at pre-K, we like to make those decisions during the summer. While we do like to be extremely conservative with allocating FTE during the summer, because we really don't know what fall has to bring, and you typically also want to give the fall at least three additional weeks after school has started, so you have a much, much clearer picture in terms of the enrollment in the district, that more likely is going to be fixed.

But in terms of checking enrollment, to Dr. Berg's point, we have the schools team that are checking enrollment on a daily basis, and then we do have reports that we're printing. Right now, we're not seeing anything that's drastically different. We are seeing a little bit of a shift of kindergarten, but then again, that's every year around this time. I just wanted to add a little bit more to that. Thank you.

Claire Hertz:

We have also brought on an online enrollment process, so that parents can enroll online. We will accommodate the in-person as we open up more in our County.

Margo Norton:

All right. Moving on. The Deputy Superintendent has told us that yes, you are planning to make a, let's call it a true up of your budget once the legislature meets in special session and you have more assurances about your level of state funding.

You chose not true up your beginning balance, even though you have an estimate that's considerably higher, but beyond that, in terms of keeping your budget transparent, how are you planning to monitor? And do you expect that there will be more budget adjustments this year, throughout the year, as you monitor more than usual? How are you going to keep up to date?

Claire Hertz:

One of the things Director Bailey was talking about is the state economists and the revenue forecast. One of the things that we do is we pay close attention to those forecasts. And because we know when the revenue is up or down and we're able to then project what it might mean as it goes forward through the end of the fiscal year, or the end of the school year.

We will be monitoring the quarterly economic forecasts at the state level. We will also, we have quarterly financial reports where we project our revenue and expenses to the board through June 30th on a quarterly basis. While we do a monthly closing on financials and we're tracking financial information monthly, we do strong projection analysis work and projection for looking how we're going to end with the year.

We certainly are mindful that in a recession with this pandemic impact, that there are many different economic models that we could be in for in the future, but we're ready to track and respond as needed.

Margo Norton:

Well, I understand it's a difficult science to perform, and there are so many variables outside of your control. I'm aware that you have done quarterly financial updates to the board. Those don't usually result in a formal budget amendment. But my concern is that if this year is going to be unusual, as we try to find our way back to a normal pattern, that in looking at where we are compared to last year, where we will be compared to next year, that the comparisons will blow up because we don't have a good basis for measuring them because our budgets are so overstated. Do you have any comments on that?

Claire Hertz:

Yes. We are bringing back an amended budget that will lower the funding levels that we're bringing forward right now. We're waiting until after the legislative action to do so, so that we make sure we get it in the right general fund or grant fund. What is unclear is which funds the money might shift between. Right now, we're leaving it with the only official level of funding that we've received from the Oregon Department of Ed and the only thing in writing that we've received from them, and that's what's included in our budget document now.

However, we have also reduced our budgets, knowing of the percentage revenue shortfalls that would be... We know how much of the State School Fund we receive. We know how much of

measure 98. Going through all the funding streams, we have modified down to the lower level and are staffing at that lower level.

As we open up in the fall, what we will continue monitor with each economic forecast what's happening with the revenue, and we will continue to modify our expenditures to true up with our revenues. That's our best impact, and we're really focusing on ending the year of 21 with a 6% fund balance, which is what we started with in... That was the goal in our climb to 10% for the 20-21 year. We're really trying to stick to that goal, recognizing we have more resources available to us for 20-21 then probably we will have for 21-22.

Mark Wubbold:

We're going to switch gears here a little bit, and we're going to talk about your equity work. In the proposed budget, the district included a very comprehensive approach to the equity issues that you face, funded in part by new state revenue. How are these same equity issues being addressed in the reopening plans in light of the likely reduced funding and is the district reprioritizing these efforts as well as changing some of the metrics or any of the goals.

Claire Hertz:

I'm going to ask two staff members to respond to this question. First will be Daniella Desmond, the Senior Advisor to the Superintendent for racial equity and social justice. And then on the second question, I'll ask Russ Brown, the Chief of System Performance to respond. We'll start with Dani, please.

Daniella Desmond:

Hi. Thank you for the question. I think that the question is really timely because as a system under the superintendent's leadership, we're really trying to develop a culture where the work of racial equity and social justice isn't something that's an add on, or something that happens over here, or in pockets, but rather is baked into our culture.

While we do have a portion of some of our strategies that are funded with the Student Success Act funding, a lot of our work over the past two years has been in developing the frameworks and the shared understanding of how we can move forward together in alignment with our vision.

As part of our reentry planning, we're really leaning on a couple of tools that have been developed and adopted over the past year. One starts with a decision support tool, which is our racial equity, social justice lens. We are applying this racial equity, social justice lens to key decision points for reentry, as well as to key initiatives that are going to occur through the district.

One thing that's different about our district's approach to the application of the racial equity and social justice lens is that we take a continuous improvement approach to all that we do. We are in the process of not only applying the lens, but recording the answers to those questions that are those prompts, and then going back to those and reflecting onto the collective questions that we really start to have some opportunities to pull out themes and places where we need to continue to learn.

In addition to our RESJ lens, we have worked over the past couple of years to support a racial equity, social justice plan and framework that outlines our goals around racial equity and social justice that are social justice that are in alignment in our emerging strategic plan and system

shifts. That work has been capacitated in a system wide racial equity, social justice advisory team, which is a cross functional team with a diversity of participants who are really thinking about how we make sure that the work that's happening at school sites, in classrooms, is really coherent throughout the whole system.

So, those two pieces of work, along with some additional professional development and alignment with our community engagement work, really, I think, put us in a good space to think about how we are anchored in this core work around racial equity and social justice and how that has helped us prioritize planning for the next year.

When we talk about who our most vulnerable students are, we're really focused on black and Native American students as our theory of change states. We're leading with race and we understand that we need to build a system for our students who are experiencing the most barriers.

When we think about centering our experience around black and native students, that starts with, what will the reentry experience look like? What are those conditions that our black and native students are experiencing? What might be barriers to their success and how do we actively remove those barriers so that they can succeed in reentry?

We believe that by doing that, by taking this targeted Universalist approach, that our reentry plans will be stronger and every student will be able to succeed. I'm going to turn it over to Dr. Russ Brown, who is our Chief of Systems Performance.

Dr. Russ Brown:

Thank you. The question was whether or not we were going to change our metrics or our goals. And, as you've heard, and I think Dani did a lovely job of outlining how our work's all centered around racial equity and it informs our strategic plan, which is an articulated pathway for our vision as we move forward.

That being said, the board had the foresight last October to adopt goals that really are very well aligned to that work and act as almost a ladder for students as they move through school. Looking at third grade reading, looking at fifth grade mathematics, and specifically the performance of our students who historically have been underserved and remain underserved in our setting.

You've heard today how we're talking about aligning the budget to better support those students and aligning our efforts as we move forward. Those metrics remain unchanged, and it's probably more important than ever that we remain focused on student growth, how much students are learning within the academic year. That is the cornerstone for both the third and fifth grade metrics.

In eighth grade, we looked at a cumulative metric at the end of eighth grade. How are students doing in terms of performance, both in English, language arts, and mathematics. And again, looking overall, all our students then prepared to enter high school to be able to pursue pathways to postsecondary readiness.

And the final goal area, while I never want to minimize the importance of graduation for students, graduation in and of itself will double the lifetime earning potential for a student, it's an incredibly important step, though I think the board and the larger community both recognize

that students need often to do something beyond that. They have to have some pathways for postsecondary readiness, postsecondary training.

The final board goal and the metric on that, again, is closing the gap over time between our white students and our historically underserved students of color in terms of their postsecondary readiness. Those metrics and those goal areas remained unchanged.

That being said, I would go back to something that was said earlier by Mr. Barringer. February, the bottom dropped out. We have found ourselves in an unprecedented time and it certainly hasn't been business as usual. As we reenter school, we're going to have to reestablish a baseline. We can't pretend this past year was like every other year. We're going to have to establish a new baseline, and then we'll have to look at the targets and the timeline for those targets based on that new baseline. It's just not reasonable at this point in time to assume. There's research at this point, suggesting that students in the 19-20 year across the country will not have accumulated the expected levels of learning and so we need to take that into account and set a new baseline in the coming year.

Mark Wubbold:

Thank you. And thank you for targeted universalism. That was new to me, and I appreciate the fact that you had it in your budget notes. I do have one quick little follow up. Whenever we talk about applying a lens or using a lens, if I'm a parent, and I was, I put three children through the PPS program, and I'm a parent that's curious about the application of the lens. Are you able to point to something and say, because of the lens, this? Because we applied the lens, we spent this money in this way, or something. Is there an example like that, that you... because I'm sure I'm not the first parent that would have asked this question if I was still a parent.

Daniella Desmond:

I want to answer that question with a "yes and," if you don't mind. It's going to seem like I'm being swirly, but I'm going to come back to the "yes" part. I'm going to start with the "and." I think one of the things, in the work that I've done with racial equity in our community for many years, a lot of what has happened with this application of the lens is that we assume that the lens is the end. The lens is the thing that happened, and so we're done.

The way that, and Claire's going to groan audibly, just wait for it, the way that I like to frame our use and our application of the lens is to liken it to the "couch to 5K." It's summer weather and we've all been watching and eating heartily over the last couple of months. But imagine if you will, that we have been on our couches binge watching, and we are now trying to develop a muscle, a new muscle, that will help us get to race, if you will, to racial justice.

The lens is not the winning of the race. The lens is the exercise regimen that helps us plot our way towards the eventual winning of the race. It is that first around the block run where your sides are hurting, and it's the commitment to apply it to that first time and to apply it again and apply it again and again.

I believe that I can point to several processes and certainly to our protocols, where, as a system, we've said, we're going to apply our lens to these important decisions. And I can tell you how I witness, and it's my perspective, how I witness a muscle that's being developed.

For example, the second question is a doozy, because we're asking who were the stakeholders who were involved and how are they involved in this decision making? And when we first

started asking that question, we had rather shallow answers, a lot of teams and departments would say. I was involved. My team was involved. Our circles closest to us were involved. And that's the right group that's involved.

And over time, I think because we've continued to ask the question and been in dialogue after we've applied the lens, we now have folks who are starting to talk more specifically about who are the people directly impacted by a decision. And we're now getting more comfortable about talking about black and native students, about talking about communities of color, not only historically, but also presently.

I guess I'm trying to get to the "yes" part of the question, which is, I think that that muscle, I see evidence of that muscle growing. It doesn't mean that we're still not frustrated about wanting to be able to run the 5K after a week of training. And I don't know that we're quite there yet, but we are on our way and our muscles are getting bigger and that is no small feat. I certainly see shifts in our collective culture at PPS to try to get there.

Claire Hertz:

Before we go onto the next question, I'd like to respond back to Harmony's question about our staffing set aside. We have 29 FTE set aside in general fund and 17 FTE set aside in the student investment account. This is overall more than last year, but the general fund is slightly less than last year's general fund allocation.

Harmony Quiroz:

Thank you. I had a follow up question on the equity piece. I'm interested in the status of the enrollment balancing process, especially in light of reopening. Our schools are wildly different. Some schools are under enrolled. Some are over enrolled. Some are brand new. Some are very old. They have all different kinds of building capacity. I'm interested in how the district is using the lens in the light of where the enrollment balancing process is. I know it has to continue at some point with Kellogg's plan to be opening in 21-22. So an update on the status and how you're working with those wildly different school building issues in light of the equity lens.

Daniella Desmond:

Okay. Thank you for the question. I think that the racial equity issues that are implied in that process are significant and also top of mind for a lot of us. Just recently we did a pretty robust process and people were very engaged in a process where we examined GIS data. We looked at several maps and looked at what are the types of conditions around demographics, around income, around housing, tenure, housing affordability, that are going to make an impact in where folks live and also what's the relationship to our schools? We took this data and we had a really robust discussion with an internal advisory group that included our super smart board members who were really engaged around that question. In a hot afternoon where everyone is really carrying a lot of weight, we got to some really key themes that were pulled out. What came out of that lens application process is that we are sharpening and making adjustments to the way that we're going to approach the process or engagement and some of the priorities that we've established.

Claire Hertz:

So I just want to do a time check with the group. Originally, we thought we could have two streaming sessions and we cannot. We have scheduled a board meeting to start at 6:30 this

evening. I know we have a few more questions to get through, and I don't want to rush. I love the conversation we're having. At the same time, I want to make sure we get through all of your questions this evening.

David Barringer:

Thank you for that. I'm going to skip my question number 10 just for time, but that'll give us three more questions to get through. Harmony?

Harmony Quiroz:

Sure. Before I jump to my next one, is there a timeline for when the enrollment balancing process will start back up the boundary process? I know the community engagement part got stalled, is there still a timeline? The expectation that the first round of that one happened prior to Kellogg opening in the Southeast? I think that's where it left off.

Claire Hertz:

Yes. We will start the process up. We're looking at a virtual process because our group that was going, the guiding coalition, is going to be larger than we're allowed to meet right now. We're looking at a virtual process and still continuing to engage our community in the process. But that wouldn't start until after school started.

Harmony Quiroz:

With the goal of 21-22?

Claire Hertz:

Oh, absolutely, absolutely.

Harmony Quiroz:

Okay. Kellogg will open whether or not already, I guess.

Claire Hertz:

That's correct.

Harmony Quiroz:

We'll be ready. I have the next question, shifting gears. How has the pandemic impacted homeless students and the district's work with those students? Is the district involved with Metro and its homeless services project? And how has all of this impacted the district's team of counselors and their duties, and how will the district backfill the work previously done by school resource officers? It's kind of a second question.

Claire Hertz:

First we're going to start with Leslie O'Dell, our Senior Director of Funded Programs, and then Jonathan Garcia, our Chief Engagement Officer will answer the SRO question.

Leslie O'Dell:

Thank you. In response to how during the pandemic are we serving, and have we served our homeless students. At first, we have developed really strong relationships with our homeless staff, and we have a larger number of staff who serve our homeless students than most districts our size. That's a testament to our investment and the support that we are committed to. And

so we immediately jumped in making phone calls and whatnot, but the key thing is what do you need, and how did we remove barriers in ways that we knew would affect disproportionately our students and families experiencing houselessness. One example of that is the prioritization of hotspots, the coordination of reaching out to our students and families who are enrolled in our McKinney-Vento programs.

Those calls began immediately, continuing to provide and delivering the typical supplies, food, and resources, but also our continued work with our city and county agencies. The landscape there changes really dramatically in terms of what's available and what's not, and by partnering with other districts and staying in communication, as well as the continued reach out to the county and city agencies to know what's available where so that we can instantly refer families who are experiencing particular need. That is something we did, and we maintain that connection to our families and our schools in a very proactive way through our McKinney-Vento staff, but also our school staff and our counselors, specifically, all working together. And because we have more McKinney-Vento staff, those relationships with schools are very strong. So, between the two, we were really able to wrap our arms, to the best of our ability, around our families to provide the support that they needed at the time.

Claire Hertz:

And then with Jonathan Garcia, our Chief of Engagement.

Jonathan Garcia:

Sure. Is there any follow-ups for Leslie before I transition to SROs? Hearing none, hi everybody, I'm Jonathan Garcia, I'm the Chief Engagement Officer for the school district. As our community is aware, the School Resource Officers Program has been ... in PPS and other Metro districts ... has been historically funded by the city of Portland, which historically we have found in the mayor's proposed budget. On June 4th, as you all know, our superintendent Guerrero charged us, as his senior leadership team, to discontinue the continuing regular presence of school resource officers. But more importantly to really double down on what we've heard from our students, especially our black, native and students of color, which is a desire to build a better sense of belonging, to strengthen relationships with adults, to strengthen the climate and the culture of schools so that our black students, our native students, feel welcomed and have a sense of belonging.

So as we embark on this journey to reimagine school safety, to reimagine a sense of belonging, we continue to employ 31 FTEs who are in the office of security services. These folks serve as mentors, ambassadors, safety advocates on school campuses, and we'll continue that to provide those levels of support. I can tell you from our conversations with students throughout the last year and the last couple of years, what was very important for our students, especially our students of color, especially our black kids and our native kids, is that what is more important for students is that they have adults that they can look to, they can see as ambassadors, they can see as mentors, as guides. And as I referenced in my written statement, the youth division of the Portland Police Bureau had 14 police officers that were responsible for three school districts, hundreds of schools, which really made it difficult for young people to build those relationships, those authentic relationships, that they believe are critical to build that sense of belonging.

So in the course of the next few months as we begin the transition to school opening, we are working on developing protocols for if and when it is absolutely necessary because of an

absolute emergency, for members of the Bureau to visit a school campus. We will set those protocols out in partnership with the Bureau, but as a reminder to our community, for us it's really getting a sense of ... and making sure our students, especially our black, our native, and our students of color, feel welcome and feel a sense of belonging.

James Ofsink:

Thank you. I have the next question. Moving to facility maintenance and school modernization, we know that has been a focus of the budget for a few year, and then of course also the custodial staffing changes and challenges. Looking backwards and forwards, we have two questions. The first one looking forward, how has the pandemic and the under-budgeting and over-expenditures on bond projects impacted future project design funding and bond planning? So how is the pandemic affecting things looking forward, and also looking backwards, or more like looking current, are the pandemic's infection protection standards changing the existing custodial staffing plans?

Dan Yung:

Hello, good evening. Yes, it's a really great question. With the pandemic and the impacts that it has to our construction projects. It certainly has impacts. We see additional supplies that are needed. We have additional requirements and it also, of course, impacts our staffing and how efficient we are able to be on site. The total impact of what that's going to be is yet to be determined. How is that going to impact individual projects and how is that going to impact our overall construction climate is still something that we'll have to see. Really, I think it's a great question about risk management. This is another variable that we have to take into account when we are planning future projects. And the way that we manage risk, a number of ways, but a couple of fundamental ways is with different contingencies. All of our projects that we plan where we're looking forward for significant capital projects include embedded project contingency.

For new construction it's typically 10%, and for renovation work it's 15% of the construction cost. In addition to that, when we have these larger variables where it's really hard to pin down and know, we also carry what we call a program contingency. So that is over all of the projects, all of the work, all of the different types of expenditures. And we're looking on our future bond planning a 10% contingency. That's a significant amount of funds that can help us account for this potential risk and this new variable.

James Ofsink:

Maybe it's too early to answer this question, but we've gone around and talked to a lot of districts at this point and have talked to districts like the Port and Metro that have also large capital things in play. I guess what I was trying to get at, which I didn't hear exactly, although maybe it was in there buried under the budget consideration, is if you've also had to start making design considerations, given the pandemic.

Dan Yung:

Well, that's a great question. With this, fairly early on we haven't had any projects that have gone into design and are in the phase where we're seeing that need, which doesn't mean that it isn't going to happen. The one thing that's valuable to us on our current projects is we track all the impacts every month. We have our contractors identify, and our design teams, any changes, any costs, and we look to reconcile those every month. Those turn into our lessons learned, so

as we go into planning and design for our new projects we have those available so if there are changes that we need to do in the design itself, we have that information about going forward.

Mark Wubbold:

Daniel, I'm curious about this 10% contingency, because as a citizen of course I've been following all the wonderful updates that our local schools, like Grant, it's just beautiful. We're very proud of that. Ten percent, is that common or is that an increase from your last bond series of facilities? What would you say about that?

Dan Yung:

Yes, I'd say there's no specific standard. It's general good practice to be somewhere in the 10% range, usually you would like to see somewhere 8% to 10%. And so we're aiming to be on the higher side, on the 10% side. And ultimately, all those funds go into capital projects. The plan for the contingency is that you spend it down over time. It's a risk management strategy, if something comes up that is unforeseen, you have that ability to cover that cost. That said, over time, if you're not meeting that for unforeseen conditions, then you have the opportunity to elect to where you want to allocate those funds, whether that be additional health and safety projects or otherwise. That's one of the specific cost components that we are reviewing with our Bond Accountability Committee and we'll get their recommendations as well as what they think that right percentage is.

James Ofsink:

Just for us, I do think we're basically at time. So if someone can answer the custodial question and then I think we'll do our wrap up.

Dan Yung:

Yes. I'm happy to do that as well. The question there is, is it changing our staffing plans? Even though we've talked about some of the budget challenges that we have going into the next FY, we have kept the same custodial staffing FTE, we've held that constant. We are also ... part of the question is, are we changing our standards? Absolutely. Beginning of March, we changed our standards for what our custodial cleaning and disinfecting looked like. We updated what supplies, including materials, we used, we emphasized disinfecting high touch areas, and we are continuing to refine those, and will continue to refine those as the pandemic changes over time.

David Barringer:

Great, thank you. Craig, did anyone sign up from the public to provide comment? No?

Roseanne:

Hi, this is Roseanne from the board office. Nobody has signed up.

David Barringer:

Great, thank you Roseanne. With that, then I want to thank you all for participating in our hearing, and I will close the official hearing and open up a regular meeting of the TSCC. And with that, does any commissioner have any comment on the budget? No? Then I will ask Craig, our Executive Director, for his review and recommendations as to the certification letter.

Craig Gibbons:

We recommend that you certify the budget without any objections or recommendations, but that since basically we are doing a late budget, that you request a budget update as soon as possible, in next year and no later than the beginning of the calendar year.

James Ofsink:

But if you have it earlier, if you end up needing to make a large change in September after the second special session or whatever, whenever it's available, we'd just like ... we're trying to check in with all the districts to make sure that that information makes it to the public, thanks.

David Barringer:

Great, thank you. And with that, may I have a motion authorizing the commission to sign the certification letter as recommended by the staff with that addition change?

James Ofsink:

This is James, I'll move.

Mark Wubbold:

This is Mark, I'll second.

David Barringer:

Great. Any discussion? All in favor say, "Aye."

(All respond "Aye")

David Barringer:

Any opposed? The motion carries and our meeting is adjourned and it's almost 6:30, so thank you all for coming to this meeting.

Approved by Commission at its September 15, 2020 meeting

clg